

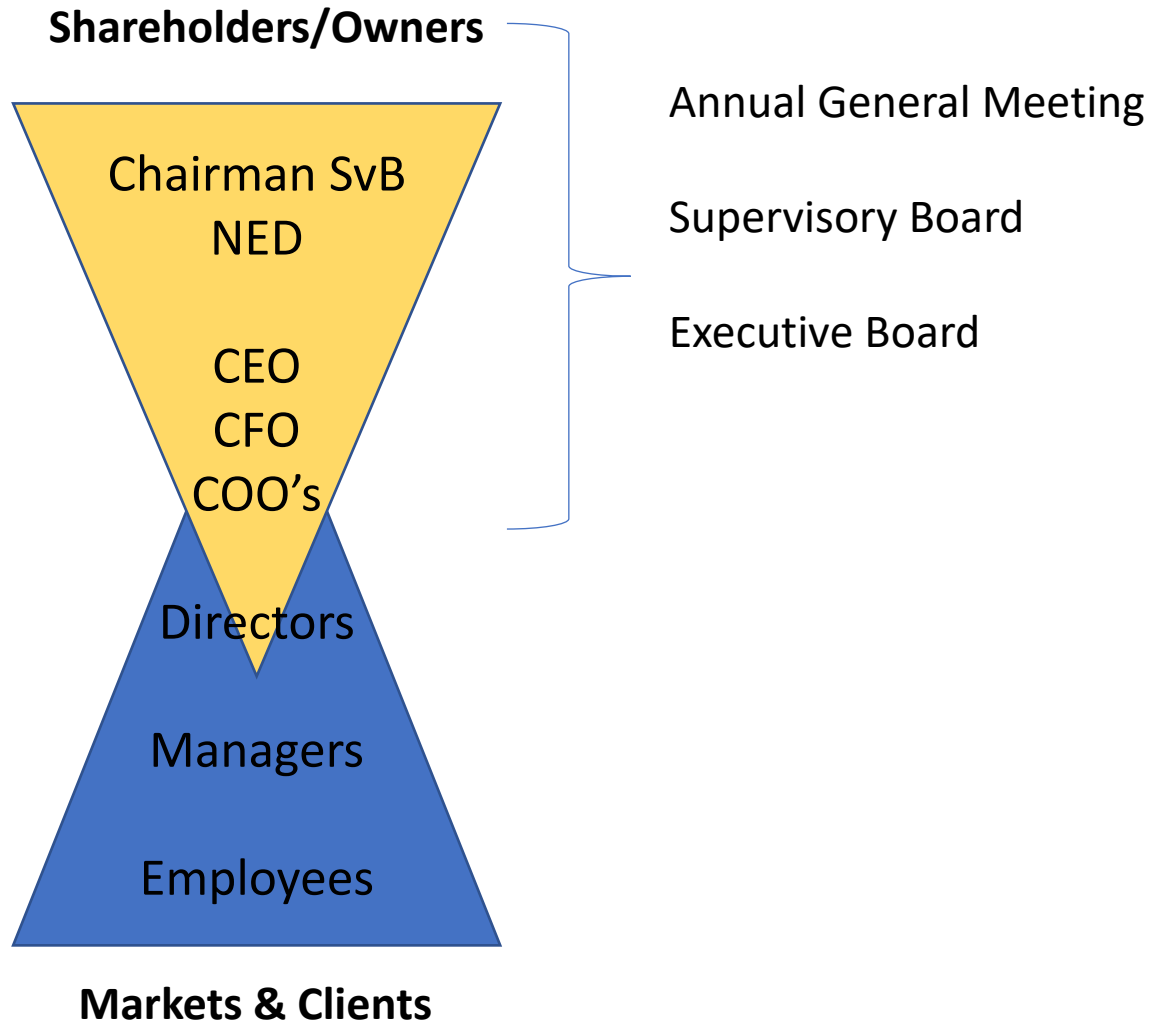


Women on Board

6/6/2023

Board Insights accross Borders
Tine Snels

Directors on Boards



Who owns a company?

1. State owned companies
2. Governmental organisations
3. NGO's
4. Private Equity
5. Venture Capital
6. Stock Listed
7. Family Owned
8. Cooperative
9. Mixed Models
10. You, The "public", Employees...



The Blackstone Group®



khosla ventures



HANIEL



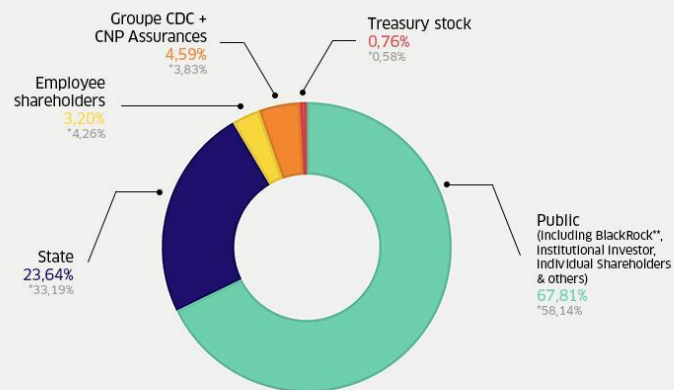
PORSCHE SE



Ownership example



Breakdown of capital and voting rights* at 31/12/2020

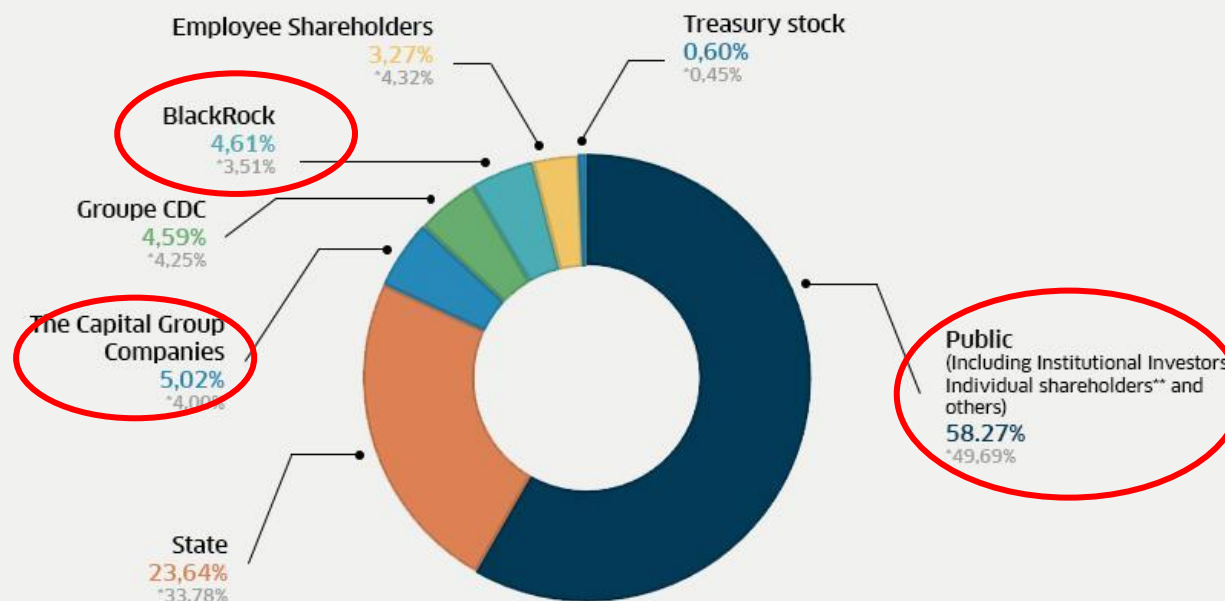


* Theoretical voting rights (including self-holding) appear in grey.

Pursuant to Article 223-11 of the AMF General Regulations, the number of theoretical voting rights is calculated on the basis of all shares to which voting rights are attached, including shares held by the Group that are deprived of voting rights

** As of December 7, 2020, BlackRock held: 4,46% of the capital and 3,43% of the theoretical voting rights of ENGIE.

Breakdown of capital and voting rights* at 31/08/2022



* Theoretical voting rights (including self-holding) appear in grey.

Pursuant to Article 223-11 of the AMF General Regulations, the number of theoretical voting rights is calculated on the basis of all shares to which voting rights are attached, including shares held by the Group that are deprived of voting rights

** As of December 31, 2021, Individual shareholders held 169 million shares, or 7% of the Company's capital.





Is ownership relevant for you?

1. State owned companies
2. Governmental organisations
3. NGO's
4. Private Equity
5. Venture Capital
6. Stock Listed
7. Family Owned
8. Cooperative
9. Mixed Models

Financial results?

Preparing for exit?

Legacy?

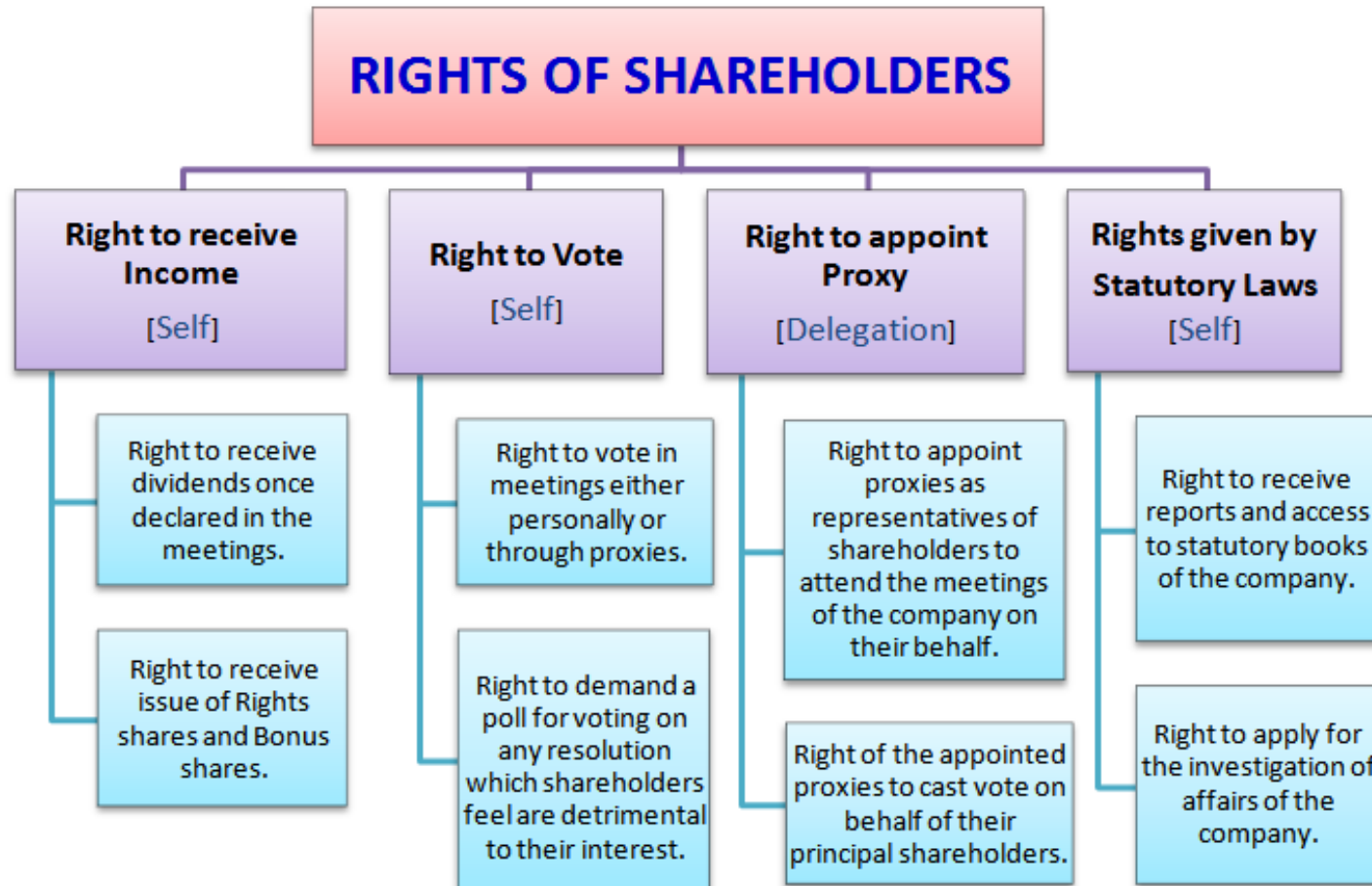
Vision?

For the next generation?

Dividend?

Different ownership → different culture & behavior?

Rights of owners = shareholders



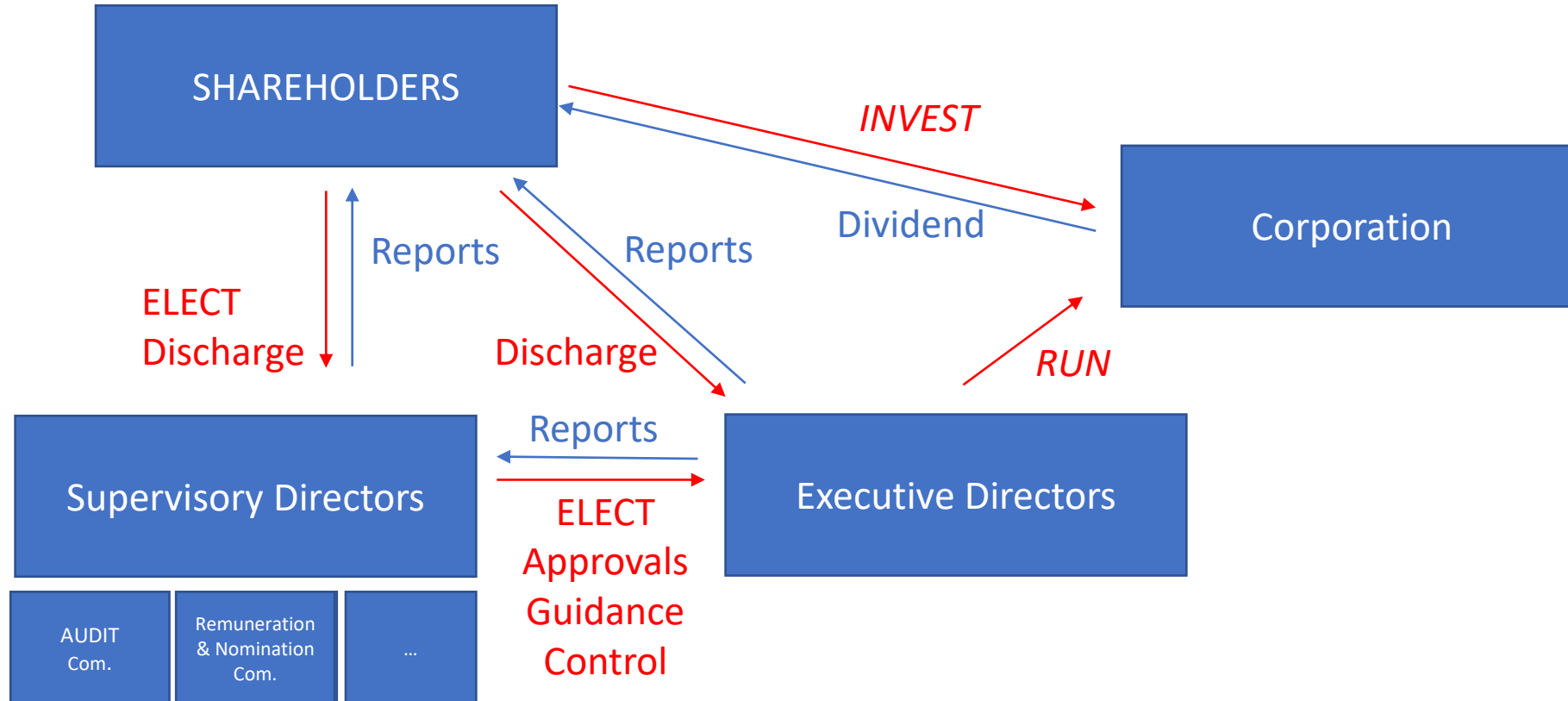
AGM agenda approvals:

- *Approval Financials & Annual Report
- *Discharges BOD & EB
- *Apropriation Retained Earnings
- *Distribution Dividend
- *Advisory/Approval vote on Compensation
- *Elections BoD members, Chair & RemCo members
- *Amendments articles of Association
- *Election independent Proxy
- *Election Statutory Auditors

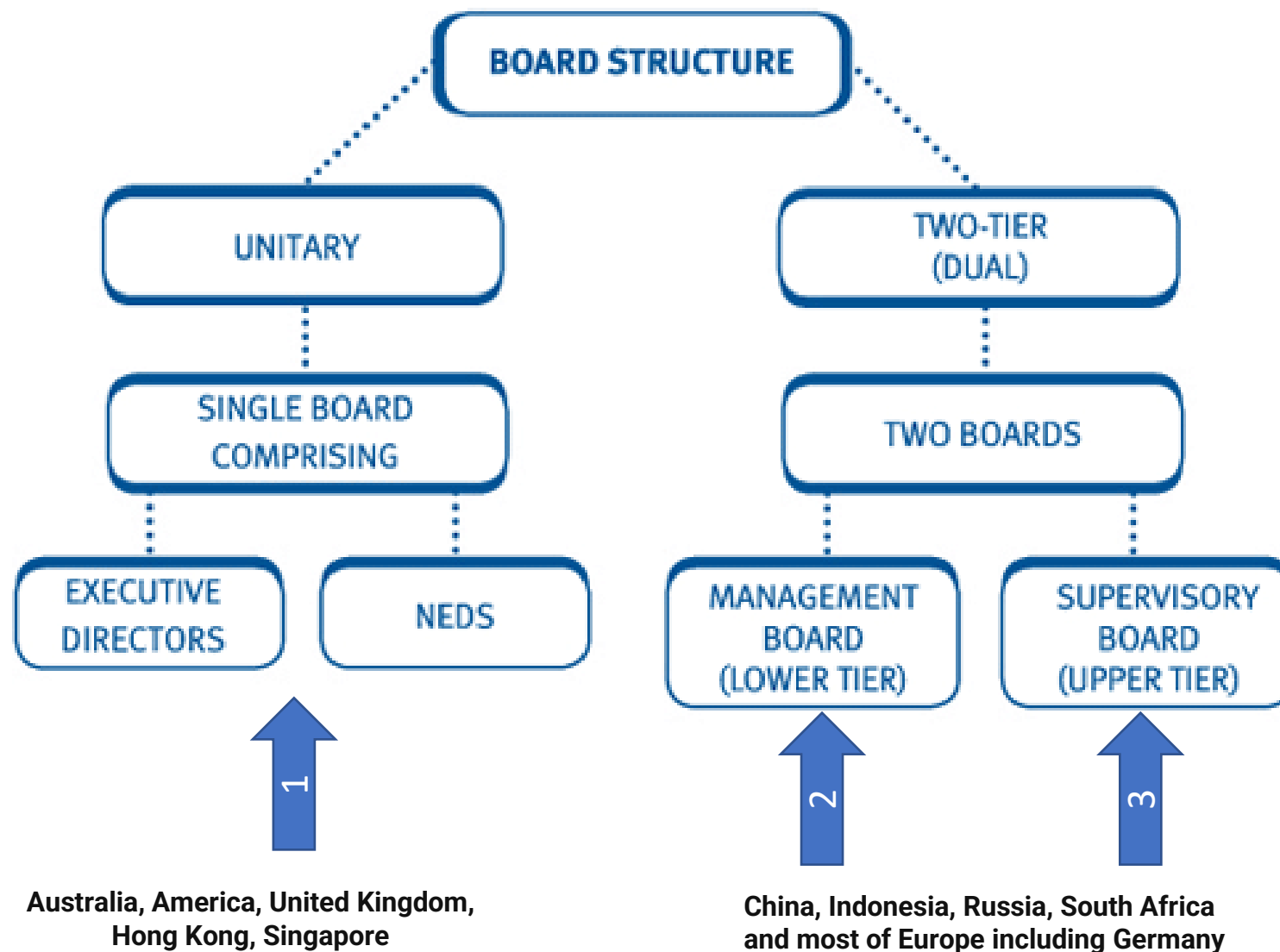
Warren Buffet



Roles of different boards



One or Two-tier Boards



Responsibilities of the Board

- Compliance, Good Governance
- Strategy & Performance
- Succession and Talent management
- Resource planning, large investments
- Risk Management
- Reputation Management
- Stakeholder Management
 - Society
 - Shareholders
 - Analysts
 - Stock Market Regulators
 - Employees
 - Customers, Suppliers,...
 - Media, NGO's, ...
- Reporting
- ...



Board composition is such that all these responsibilities are executed with the right level of expertise!



Committees of a Board

- **Audit & Risk**
- **Remuneration**
- **Nomination**

Ad Hoc committee's:

- Innovation or Technical Committee
- M&A/Integration Committee
- ...



*Susan Wojcicki
CEO Youtube since 2014*

Oversight & Compliance



- **The Governance Codes**

- After collapses of major corporations in 2001 (ENRON unethical accounting & failure of business watchdogs), Corporate Governance Codes were established.
 - Listed Companies: 2020 Belgian Code on Corporate Governance
 - Non-Listed Companies: Code Buyse (III)
- While most of the corporate governance codes are built upon the Organisation for Economic Co-operation and Development (**OECD**) **Principles of Corporate Governance** (issued first in 1999 and subsequently revised in 2004), there are some major differences among various standards to reflect each country's own unique circumstances

- **Memorandum and Articles of Association**

- In corporate governance, a company's articles of association (AoA, called articles of incorporation in some jurisdictions) is a document which, along with the memorandum of association form the company's constitution, and defines the responsibilities of the directors, the kind of business to be undertaken, and the means by which the shareholders exert control over the board of directors.

- **Supervisory authorities: e.g. FSMA, EuroNext, Bafin,...**

- The authorities of the Financial Services and supervises the financial market and company information amongst other things.



Corporate governance by country



Table 1. Comparison of Corporate Governance Models in the US and European Countries

	United States	United Kingdom	Germany	Netherlands	Switzerland
Goals of Corporate Governance	Shareholder model	Shareholder model	Stakeholder model	Shareholder model	Shareholder model
Board Structure	One-tiered	One-tiered	Two-tiered	Two-tiered	One-tiered
Mandatory	Required by SOX	Comply or explain	Required by law	Comply or explain	No
CEO/ Chair Duality	Permitted	Not Permitted	Prohibited	Not Permitted	Permitted
Appointment of Independent Auditor	Independent Audit Committee	Independent Audit Committee	Supervisory Board	Shareholders through the Audit Committee	Shareholders elect
Required Disclosure	Limited in 10K, details in Proxy Statements	In Annual Report, less than U.S. requires	In Annual Report	In Annual Report	In Annual Report
Independence Achieved	Committee Structure	Committee Structure	Board Structure	Board Structure	Shareholder Autonomy

Employee representation in Germany has co-determination and presence in boards. This is not the case for example in The Netherlands



*Indra Nooyi
CEO PepsiCo 2006-2018
Supervisory Board Philips since 2020*

Diversity & Overboarding



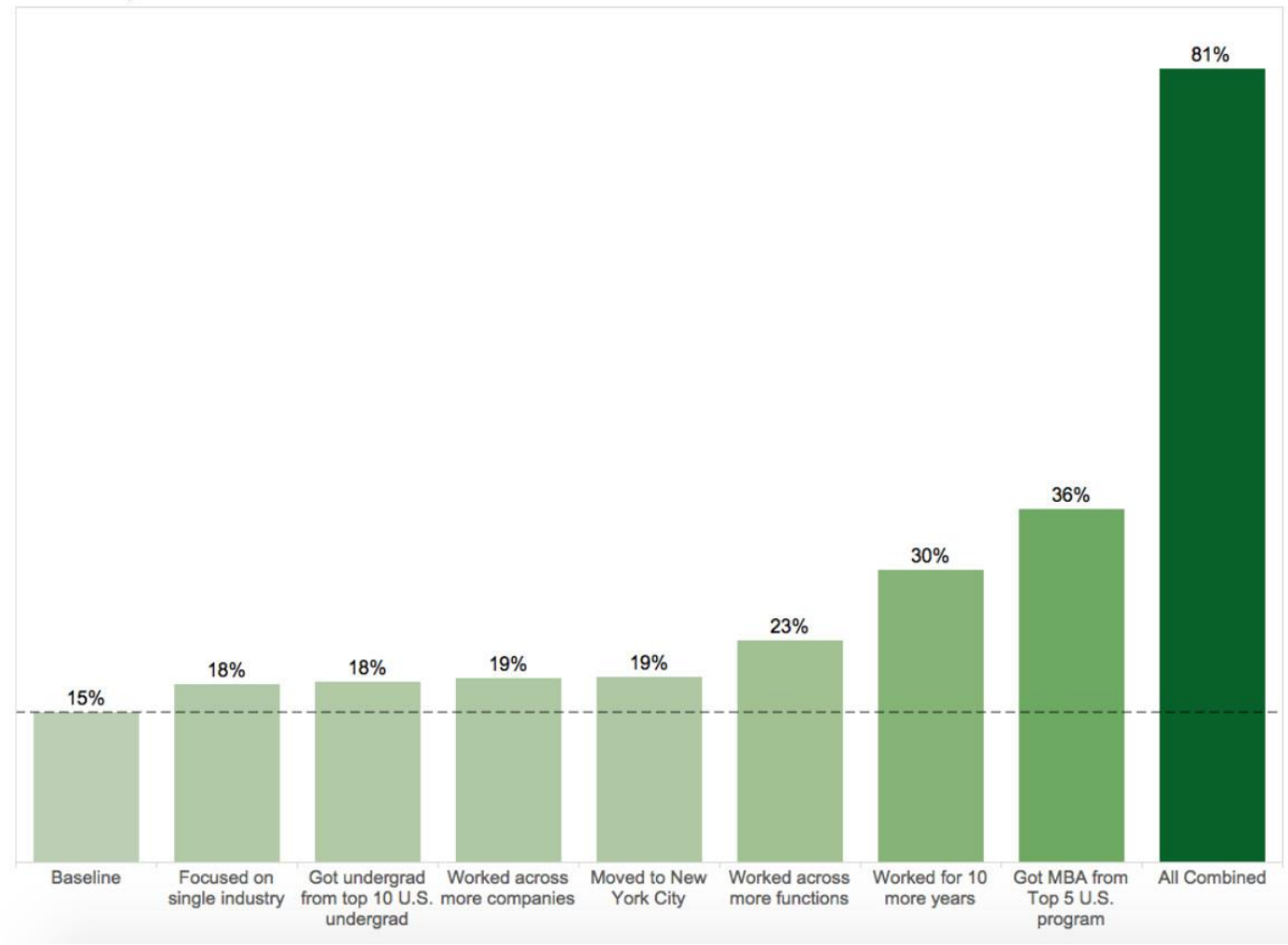
- **DIVERSITY: The competency Matrix**
 - Why?
 - Different thinking patterns
 - Representation of customer or stakeholder base
 - Improved results
 - **GENDER QUOTA TARGETS:** mostly for public companies and binding for SvB, ranging from 30-40%
- **Maximum number of NED mandates (going plural)**
 - Eg. Belgium, Switzerland: max 5 listed companies
 - Germany: Law and Code specify different number of mandates (10/3)
Chairmanships count double
- **Most Codes specify:**
 - Board size: often between 6-12
 - Min. 2/3 - 50% independent directors with no conflict of interest
 - Term: yearly election (eg. Switzerland, Sweden,...)
 - Max. terms between 4-12 years



Examples of factors influencing Board seat acquisition:



Probability of Success vs. Choices



Gender influence on reaching a Board



Ranked Profiles	Gender	Yrs. of Exp.	# of Job Functions	# of Companies	# of Industries	Region	Undergrad Type	Advanced Degree Type	Prob. of Being Exec
1 - Highest	Male	30	7	8	1	New York City	Top 10 US	Top 5 MBA US	97%
2	Female	30	6	7	1	Mumbai, India	Top 11-20 US	Top 6-10 MBA US	92%
3	Male	20	5	6	2	Singapore	Top 21-30 US	Top 10 MBA International	77%
4	Female	20	4	5	2	London, UK	Top 10 Lib Arts US	MBA non top program	46%
5	Male	20	3	4	2	Los Angeles	Top 10 Int'l	MBA non top program	39%
6	Female	15	2	3	3	San Francisco Bay Area	Non top undergrad	MBA non top program	10%
7	Male	15	21	3	3	Paris, France	Non top undergrad	Other Advanced Degree	9%
8	Female	15	1	3	3	Madrid, Spain	Non top undergrad	Other Advanced Degree	4%
9	Male	10	1	4	4	Toronto, Canada	Non top undergrad	Has no advanced degree	3%
10 - Lowest	Female	10	1	4	4	Washington D.C.	Non top undergrad	Has no advanced degree	2%

How To Become An Executive

Guy Berger, Ph.D. | 9 sep. 2016

<https://www.linkedin.com/pulse/how-become-executive-guy-berger-ph-d->

Planning to reach the TOP JOB



- Earn recognition and reputation for the right reasons
- Develop the characteristics of a leader
- Make your boss “look good”, but even more important, contribute to the goals of “the boss of your boss”
- Find the right entry-level role, chose the path based on what is required to reach the top
- Cultivate your personal brand, stand out with difficult projects
- Under-promise, over-deliver
- Let your team shine, they will talk about you
- Form good relationships with executive recruitment firms
- Expand your knowledge with a business degree
- Manage your mind/thoughts and build resilience
- Know your energy and sources of it



More?

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What a NED adds to the Company:

- **Perspective** and objectivity – an independent view of the business
- **Wide business experience**, a ‘wise head’ can offer benefits and help the business avoid mistakes.
- **Specialist knowledge and skills** – this might be technical knowledge of a particular industry, product, process or market. It might also be skills in a particular business discipline: Today, many companies look for experts in Digitization, Innovation, CSR... complementing their team with relevant CEO/CFO or COO’s
- **Personal qualities** that can balance or enhance the performance of the board
- **Prestige** – the very fact that a recognized figure in business or a particular industry has agreed to sit on the board of a company can help raise its profile and credibility
- **Investment opportunities** – the non-executive director may **invest** in the business or represent an investor. They might also provide access to other investors or have fundraising expertise.
- **Key contacts** – provide access to key suppliers, customers or others with expertise to help develop the





Benefits from being a NED

- An **income** stream
- Many non-executive directors discover that one NED role can easily **lead to another**
- Gaining exposure to and experience in **different business** or community sectors
- Developing **profile** and credibility
- Learning **new skills**, not being “in the line”
- **Staying relevant** and connected to business after an executive career
- Personal **satisfaction** and the ability to lend skills and experience to a good cause can be a major motivating factor

